

ARTICLE APPEARED
ON PAGE A-4

CIA says Soviet expands arms despite bad economy

By CHARLES W. CORDDRY
Washington Bureau of The Sun

Washington—The Central Intelligence Agency has told Congress that, despite a grim economic situation, the Soviet Union can be expected to continue the steady, long-term expansion of its military power.

George Bush, the director of central intelligence, told a Senate panel in testimony released yesterday that 1975 was a "disastrous" year for Soviet agriculture and its economy suffered its "most serious setback" since Leonid I. Brezhnev came to power.

Mr. Bush, other CIA officials and Defense Department intelligence officers testified May 24 and June 15 (and also submitted written material answering questions) to the Joint Economic Committee's subcommittee on priorities and economy in government, chaired by Senator William Proxmire (D., Wis.), who made public the testimony yesterday.

In an accompanying statement, the senator said the outstanding features of the Soviet economy are that it is not self-sufficient, being dependent on imports for the most basic commodity—food—and that it lags behind the United States in technology, especially in the military arena.

The evidence is, Mr. Proxmire said, that high military spending is at least a contributing factor in Russia's poor economic performance.

Tucked in the middle of the 122 pages of testimony was a written response of Mr. Bush to a question from the panel, indicating one of the reasons for continued high levels of military outlays:

The Soviet Union has never accepted the American premise that mutual deterrence, or "mutual-assured destruction" in event of war, is a desirable basis for a stable nuclear relationship between the superpowers, Mr. Bush said.

The Russians are committed to being able to fight a nuclear war, a decision reflecting "a consensus on the need to assure the survival of the Soviet Union as a national entity" if there is such a war, Mr. Bush said.

This "accords with a longstanding tenet of Soviet military doctrine that a nuclear war could be fought and won, and that counter-force capabilities [ability to strike a foe's military forces as well as

population] should be emphasized in strategic forces."

Mr. Bush testified that many signs show the Soviet economy entering a period of slower growth with major sectors—defense, industrial growth and consumption—demanding increases.

He expected last year's Soviet troubles to hurt the economy's performance this year.

"We are getting reports of food shortages, particularly in meat, as well as stories of work slowdowns and vandalisms in the markets as the people vent their ire," he said. But he did not believe there would be problems of public disorder the regime could not handle.

STAT